(b) Does not arise.

(c) A Pilot Project on Farm Income Insurance Scheme (FIIS) was launched in Rabi 2003-04 and Kharif 2004 seasons in the selected districts/ States. But based on the findings of the Concurrent Evaluation Study undertaken by an independent agency and the recommendations of the Joint Group constituted to study the improvements required in the existing Crop Insurance Schemes, the pilot project of FIIS was discontinued with effect from Rabi 2004-05 season.

**GHG emissions by agriculture sector**

3992. SHRI BHAGIRATHI MAJHI: Will the Minister of AGRICULTURE be pleased to state:

(a) whether the agriculture sector is the single largest sectoral source of Green House Gas (GHG) emissions in the country; and

(b) if so, the efforts being made to lower such emissions without compromising the crop productivity?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) No, Sir. As per the India's Initial National Communication to the United Nations Framework Convention on Climate Change (2004), energy sector is the single largest (61%) contributor to the country's GHG emission budget. Agriculture contributes only 28% of the country's GHG emission budget.

(b) Keeping the future intensification of agriculture in view, the country has made several efforts in developing technologies of mitigation, adaptation and risk reduction in agriculture. The technologies involve balance fertilizer and water management, use of specific rice varieties, and improved cultural practices.

**Subsidy under NHB**

3993. SHRI SANJAY RAUT:
SHRI MAHOHAR JOSHI:

Will the Minister of AGRICULTURE be pleased to state:

(a) what are the salient features of the scheme wherein subsidy is provided to horticulture through National Horticulture Board;

(b) whether it is compulsory to opt for loan from the banks to make farmers eligible for this subsidy;

(c) why they are deprived of this incentive when they manage to raise crops without falling in the trap of bank finances and whether it is an offence; and

(d) whether Government are ready to change this policy with retrospective effect?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) The salient features of the scheme of National Horticulture Board (NHB) for providing subsidy is given in Statement (*See* below)

(b) Credit linked back ended subsidy is provided under two Schemes *viz*. "Development of Commercial Horticulture through Production and Post Harvest Management" and "Capital Investment Subsidy for Construction/Expansion/Modernization of Cold Storages for Horticulture Produce" and released through bank after successful completion of the project. However, under the scheme, "Capital Investment Subsidy for Construction/Expansion/Modernization of Cold Storages for Horticulture Produce", bank loan is not required for the projects falling under self-financing category. The subsidy is restricted to 3000 MT capacity for such self financing projects.

(c) The advantage of a credit linked subsidy is that the loaning agency appraises the project for its estimates and viability, otherwise, it is possible for a promoter to inflate cost estimations and effectively get higher levels of subsidization than intended. Therefore, bank finance is insisted upon by NHB for release of subsidy.

(d) No such proposal exists at present.

***Statement***

*Development of Commercial Horticulture through Production and Post-Harvest Management*

COMPONENTS

- High quality commercial horticulture crops
- Indigenous crops/produce, herbs
- Aromatic Plants
- Seed & Nursery
- Biotechnology, Tissue Culture
- Bio-pesticides
- Organic Foods
- Estt. of Horti. Health Clinics/Laboratory (For Agri/Horti. unemployed graduates)
- Consultancy Services
- Bee-keeping.

(B) **PHM/Primary Processing Related**

- Grading/Washing/Sorting/Drying/ Packing centres
- Pre-cooling unit/cool stores
- Refer Van/Containers
- Sp. Transport Vehicles
- Retail Outlets
- Auction Plateform
- Ripening curing chamber
- Market yard/rope ways
- Radiation unit/Dehydration unit/Vapour Heat Treatment unit.
- Primary processing of products fermentation, extraction, distillation, juice vending pulping, dressing, cutting, chopping etc.
- Hort. Ancilliary industry e.g. tools, equipment, plastics, packaging etc.
- Cartons, Aseptic Packaging & Nets (50% subsidy)

PATTERN OF ASSISTANCE

- Back-ended capital investment subsidy not exceeding 20% of the project cost with a maximum limit of Rs.25 lakh per project. (Rs.30 lakhs for North East/ Tribal Areas) for production, Post Harvest Management and primary processing of the Horticulture produce.

HOW TO APPLY

- Project to be submitted in prescribed format for issuance of Letter of Intent (LOI)
- NHB will issue LOI to eligible projects which will remain valid for 1 year from date of issue.
- Promoter should approach to the Bank/ FI of his choice after obtaining LOI from NHB.
- The project should be implemented within a period of 2 years from date of sanction of Term Loan.
- Term Loan should be at least 25% of the project cost up to projects size of Rs.30 lakh and 40% of project cost for project larger than Rs. 30 lakh.
- On completion, Bank will submit proposal to NHB for release to subsidy along with factsheet.

PROCESSING FEE

| | | |
|---|---|---|
| 1. | Projects with cost upto Rs. 10.00 lakh | 0.1% of the Project Cost. |
| 2. | Projects with cost above Rs. 10.00 lakh and upto Rs. 20.00 lakh | 0.25% of the Project cost. |
| 3. | Projects with cost above Rs. 20.00 lakh | 0.5% of the project cost. |

2. CAPITAL INVESTMENT SUBSIDY SCHEME FOR CONSTRUCTION/EXPANSION/ MODERNIZATION OF COLD STORAGE AND STORAGES FOR HORTICULTURE PRODUCE

COMPONENTS

1. Cold Storage
2. Controlled Atmosphere (CA)/Modified
3. Onion Storage

PATTERN OF ASSISTANCE

- Back-ended capital investment subsidy not exceeding 25% of the project cost with a maximum limit of Rs.50 lakhs per project. (Rs.60 lakhs for North East Areas @ 33%)

HOW TO APPLY

- Project involving term loan may be submitted to Banks/FIs/NCDC, as the case maybe, for appraisal/sanction of loan and release of NHB subsidy
- For self-finance projects, LOI in prescribed format is needed.

PROCESSING FEE

| | |
|---|---|
| 1. Projects with cost upto Rs. 10.00 lakh | 0.1% of the Project Cost. |
| 2. Project with cost above Rs. 10.00 lakh and upto Rs.20.00 lakh | 0.25% of the Project cost. |
| 3. Projects with cost above Rs. 20.00 lakh | 0.5% of the project cost. |

3. TECHNOLOGY DEVELOPMENT AND TRANSFER

- Introduction of New Technologies.
- Domestic visit of farmers
- Technology Awareness

- Upto 100% financial assistance as under:
- Upto Rs.25.00 lakh
- As per actual
- Upto Rs.50,000-seminar.

4. MARKET INFORMATION SERVICE FOR HORTICULTURE CROPS

- General information on wholesale Prices, arrivals and trends in various markets for horticulture produce
- Dissemination of information through Media &Publications.

- To assist farmers, exporters, dealers research organization etc. organization etc.

5. HORTICULTURE PROMOTION SERVICE

- Techno-Economic Feasibility Studies to review the present status of horticulture development in particular area/state
- Identify constraints and suggest remedial measures
- Develop short term & long term strategies
- Provide consultancy services and expert services.

- Studies through Professional Consultants.
- 100% financial assistance